(c) whether any culprits have been arrested or not;

(d) if so, the details thereof;

(e) what are the details of share certificates of various companies/mutual funds found to be fake; and

(f) what steps are being taken to contain this fake share maniac in the near future by Government, RBI and SEBI ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHV) : (a) Yes, Sir.

(b) No, Sir.

(c) to (e) The information is being collected from the State Government of Punjab and will be laid on the Table of the House.

(f) Continual vigilance is being taken by the law enforcing agencies and Stock Exchanges to contain this menace.

**World Bank Lean to each State**

1997. SHRI SUNDER SINGH BHAN DARI:
DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA :

Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has offered loans up to 500 million dollars to each of the States in the country;

(b) if so, what are the World Bank conditionalities attached to the grant oi loan to the State Government; and

(c) what is the response of the State Governments in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHY) : (a) to (c) There have been some preliminary discussions with the Bank regarding possible structural adjustment loans to State Governments. These loans are intended to be non-project tied and to provide quick disbursing resources to State Governments in support of state level reforms.

**Proposal by Central Bank of India to Close down Branches**

1998. SHRIMATI KAMLA SINHA :
DR. BAPU KALDATE :
SHRI RAJNI RANJAN SAHU :

Will the Minister of FINANCE be pleased to state :

(a) whether the Central Bank oi India proposes to close down nearly 300 branches of the Batk,

(b) if so, what are the reasons therefor;

(c) what is the estimated number of employees likely to be affected as a result thereof; and

(d) the manner in which Government propose to deal with the unemployment problem of the affected employees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V-CHANDRASEKHAR MUKTHY) : (a) to (d) Reserve Bank of India (RBI) has intimated that while allocating the recapitalisation funds for 1993-94, it was agreed to by Central Bank of India that it would close down 10 unviable/loss making branches in urban/metiopolitan areas and convert into satellite office 50 rural/semi-rural/semi-urban branches. However, the Bank had not closed any loss making branch during the year 1993-994. The Bank has only converted three loss mak ing rural branches into satellite offices.

**Revamping present Institutional Credit System**

1999. DR. B. B. DUTTA: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the present system of agricultural credit suffers from poor recovery of loans;

(b) if so, the reasons therefor;

(.c) the steps taken to improve the situation; and

(d) how Government propose to revamp present institutional credit system ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHY) : (a) and (b) The growth in agricultural credit has been adversely affected on account of poor recovery. The percentage of recovery to demand of all scheduled commercial banks in respect of their agricultural advances which was 58% in June 1991 has declined to 54.15% in the year ended June 1992 but marginally improved to 55.9% for the year ended June 1993. The reasons for such poor recovery can be attributed to defective planning while sanctioning loan proposals, misutilisation and diversion of income generated out of investments, unsatisfactory marketing arrangements, wilful defaults by borrowers, natural calamities, etc.

(c) A number of steps have been taken to improve the recovery performance of commercial banks in respect of their agri cultural advances. Reserve Bank of India (RBI) has issued guidelines to banks to take effective measures like strengthen ing and gearing up of organisational structure both at controlling offices and field level, adoption of schematic approach